RAJYA SABHA

Tuesdai^ the 18th *March,* 1986/27 *Phalgutm,* 1907 *(Saka)*

The House met at eleven of the clock, Mr. Chairman in the Chair.

ORAL ANSWERS TO QUESTIONS

News-item captioned "Tourist racket to smuffirle in VCRs"

*321. SHRI PARVATHANENI UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) whettier Government'^ attention |has been drawn to news-item published in the 'Hindustan Times' of the 5th December, 1985 captioned "Tourist racket to smuggle in VCRs"; and

(lb)' ifi -*sfi,* what actio(n hjas been taken to check such activities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (3II11I JANARDHAN POOJARI): (a) and (b) i» statement is laid on th? Table of tho House.

Statement

A report had appeai'cd in the 'Hindustan Times' of 5th December, 1985 regarding organised groups employing 'Carriers' to go to nearby countries for bringing valuable electronic items for sale in India.

The Baggage concessions are meant only for *bonafide* passengers and Coistoms Authorities qre ei-'i/owtred under the law to den.y the duty free fe^owandea to carrier passengers and impound their goods. The BiggJge Rules have also been amended with effect from 15th February, 1986 to provide that in the case of Colour Television, Video Cassette Recorders, Video Cassette Players or Video Cameras, the admissible free allowance, that can be permitted to be set-off against the value of these articles for charging duty, will be limited to Rs. 500. Further with effect from 1-3-86, additional duty of customs of Rs. 15000 per set on Colour T.V. set of screen size exceeding 36 cms. and of Rs. 1000 per set in the case of those of screen size not exceeding 36 cms. have been imposed. These steps would act as discentive for such activities.

SHRI PARVATHANENI UPEN-DRA: Sir, the report says that some organised syndicates send Indian tourists regulalrly to Hongkong and Sigapore for just two or three days to bring back colour TV sets and VCRs, to be sold by the syndicates at a very high profit. Will the Minister confirm the opelratian of such syndicates? I would also like to know whether these syndicates have been identified and if so, what action has been taken against theise people?

SHRI JANARDHAN POOJARI: Sir wherever there are violations, action Willi be taken. In order to avoid this as a preventive measure, as I have said in the main reply, from 15th Februai-y, 1986, we have reduced the free allowance in the case of certain specified articles brought as baggages to Rs. 500. Action taken has been clearly mentioned in the main reply. ASl said earlier, if specific instances a!i-e brought to our notice, action will be taken and we will not spare anybody.

SHRI PARVATHNENI UPEND-DRA: Have you identified the syndicates? This way my question.

MR. CHAIRMAN: Is there any organi^d syndicate which is doinij this business? Have you any information on this?

SHRI JANARDHAN POOJARI: I do not have any informatwn on this.

SHRI PARVATHANENI UPENDRA: Sir, according to the Government Of India notification, when they are importing these items as personal baggage, they stipulate that it would be for their personal use or for the use of their family only. I would like to know whether the Government is insisting on the observance of the rule or they are allowing these items to be sold.

SHRI JANARDHAN POOJARI: Government is implementing the rule and, in fact, when these violations have been brought to our notice, goods have been confiscated.

SHRI SANKAR PRASAD MITRA; Sir, in the main reply, there is a reference to the amendment of the Baggage Rules with effect from 15th Feblruary, 1986. Now, the free allowance is limited to Rs. 500. It has also been stated in the main reply that from 1-3-86, additional duty of customs will be R5. 1500 per set on colour TV sets of screen size exceeding 36 cms; and *R's.* 1000 ver set in the case of those of screen size not exceeding 39 cms. I would like to 'iriow, on what basis, is the value ascertained? Is it ascertained on the basis of the cash memo produced or the Customs have their own metliod of valuation?

SHRI JANARDHAN POOJARI: This is done on the basis of the cash memo 'fhich is' shown at the counte'r. Wlien •; is not available, they have the "^cretion to find out and they make heir own assessment so far as the a"10 Of the goods is concerned.

SHRI BIR BHADRA PRATAP' SINGH: Mr, Chairman, Sir, in the anwser, the hon. Minister has talked about regula*oi-y control and preventive measures. There are lot of electronic goods which are coming in. There is a lot of craze for it. They iviU go On coming. This will create three majdr problems, smuggling. glackmarketmg and generation of black money. If these tilings are coming into the country, in order to avoid these major violations, will the hon. Minister consider—just as gold is allowed to be brought in by hon. resident Indians through the Reserve 1 Bank of India—permitting these goods 1 to be brought in by non-resident Indians through the Reserve Bank of India car other declared sources, to stop smuggling blackmarketing and generation of black money?

I SHRI JANARDHAN POOJARI: Sir, I share the concern of the hon. Member. For the benefit of the House, I can say that because of the steps that have been taken, in the month of March, from 1st to 10th March only 530 Televisions were brought in at Bombay Airport as Baggage whereas, ptior to this provision, in the month of January, from 1st to 10th January, 1,020 Televisions were brought in. This is coming down because of the steps which have been taken. Sir, the hon. Member has given some suggestion. There is no such proposal.

SHRI JAGESH DESAI: Sir, to stop ' this menace. Government should ^e that those who buy from others are discouraged. For this purpose, the hon. Minister has said that many T.V. sets and VCRs are confiscated because they are not used by the persons who bring them for their own use. *t* would like to know how many such sets are confiscated and whether the Government proposes, through media publicity, to tell that so many sets have been confiscated and those who buy these goods from others will do so at their personal risk. Will the Government give that kind of publicity through AIR, TV and newspapers?

SHRI JANARDHAN POOJARI; Regarding the statistics, they are not available with me. About the publicity

we have already been doing it. We have also been highlighting it through TV. Hon. Member might have seen this on the TV. Publicity through other • media is also given.

SHRI NIRiMAL CHATTERJEE: Sir, we have worked out a certain arrange, ment for the purpose. There are a few fortunate people who go abroad, but why is it necessary that those who are fortunate to go abroad are allowed to bring goods from outside which are also available in the country? My question, therefore, is, why is it that we are not imposing a total ban on ini-' part as passenger's baggake? In the ease of someone w'ho has been resident there for more than three year^ and he has accumulated certain goods, he may be allowed to import these thing. Otherwise, it should be disicouraged totally because of the very difficult foreign exchange situation and because of the need to ^flght increasing fascination for . foreign goods. *(Interruptions)*

SHRI JANARDHAN POOJARI: The hon. Member has put a very pertinent question. We cannot totally ban it. The policy of the Government is to restrict it. As the hon. Member knows, fne restriction is to the extent of 170 per cent duty for the first slab and for the next slab it is 240 per cent duty. So, heavy duty is impoised but the people are still bringing the goods. The thinking fo the Government or the policy of the Government is to discourage it. It is also the policy of the Government to promote the use of indigenous products. However, your suggestion la noted.

SHRI THANGABAALU: There are groups employing carriers to get TV, VCR and other electronic goods from other countries. They are in collusion with the customs officials. It is well proved. Recently there was a statement in the papers that the houses of big customs offclals wei-e raided and a lot of unaccounted money, jewellery, and imported items were found from their houses. It is clear that they are in collusion with the carriers so that they are in a position to bring VCRs/T.Vs and other goods and sell them in the market at a very high profit. Will the Government inform the House as to how many officers have been punished in the past three years, or what action is being taken against them?

SHRI JANARDHAN POOJARI: It is an ongoing process and fhe exact figure I do not know.

SHRI P.N. SUKUL: He wanted the figures during the last three years.

MR. CHAIRMAN: He hasn't got the figures.

SHRI PAWAN KUMAR BANSAL: Sir, the goods which are seized by the customs are sold subsequently tJfraugh various governmental agencies or through cooperatives. The craze for the foreign goods, therefore, continuance unabated, f would like to know from the Hon'ble Minister whether instead of selling those sets through public agencies these would be.sent back to the countries of their origin.

SHRI JANARDHAN POOJARI: So tar the practice is that we have been selling the goods through public agencies. After all, it will be t'he asset of the nation.

, MR. CHAIRMAN: Say that you have noted the suggestion. Next question.

Change in Import Policy on TPA

322. SHRI BISWA GOSWAMI: DR. (SHRIMATI) SAROJI NI MAHISHI: .

Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that due to the leakage of the information regarding revision of import policy *on* Terephthalic Acid (TPA), the main raw material for producing polyester

†The question was actually asked on the floor of the House by Shri Biswa GoBwami.